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C O N F I D E N T I A L SECTION 01 OF 02 BEIJING 002219

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TAGS: PREL PARM CH TW

SUBJECT: BEIJING SCHOLARS SAY PRC SEES TAIWAN'S MA PRESIDENCY AS AN IMPORTANT OPPORTUNITY

Classified By: Political Minister Counselor Aubrey Carlson. Reasons 1. 4 (b) and (d).

Summary

¶1. (C) A senior PRC American affairs expert said that despite some initial misgivings, the PRC Government is convinced that Taiwan President Ma Ying-jeou's tenure provides an important opportunity to improve cross-Strait relations. He noted that Ma's campaign rhetoric regarding Tibet, his "insult" of Premier Wen Jiabao, and the appointment of pro-independence Lai Shin-yuan to head the Mainland Affairs Council made PRC Taiwan watchers wary. Ma's carefully worded inauguration address and KMT Chair Wu Poh-hsiung's successful late-May visit to the Mainland, however, assuaged some PRC concerns. The PRC is still concerned about the U.S. role in the Taiwan issue, worried that Washington may give Ma Ying-jeou a high-level reception in the United States or approve "dramatic" new arms sales. The scholar did not dismiss the idea that the PRC may pull back missiles deployed near Taiwan, and other scholars opined that the issue was a discussed during Wu's visit. End Summary.

Scholar Says PRC Overcoming Suspicion of Ma

¶2. (C) Gu Guoliang, Deputy Director of the Chinese Academy of Social Sciences' Institute of American Studies, told PolMinCouns on June 5 that the Chinese Government is increasingly convinced Ma Ying-jeou's presidency presents an important opportunity to improve cross-Strait relations. During the campaign and after Ma's March 22 electoral victory, Chinese observers remained unconvinced. Three incidents in fact, according to Gu, made Mainland Taiwan watchers more wary about the prospects for improved cross-Strait relations under a Ma presidency: Ma's "insult" to Premier Wen Jiabao, Ma's talk of a possible Olympic boycott in the wake of the Tibet crackdown, and the appointment of pro-independence Lai Shin-yuan as head of Taiwan's Mainland Affairs Council. (Note: The "insult" refers to comments Ma made on March 18 in response to Wen's NPC press conference remarks on Taiwan and Tibet. Ma said "Wen's remarks are outrageous and unreasonable, arrogant, dumb and pretentious." Gu did not mention other pre-inaugural problematic -- from the PRC standpoint -- Ma moves such as his open invitation for the Dalai Lama to visit and his announced intention to visit the United States.)

¶3. (C) Ma's May 20 inaugural speech, however, assuaged many PRC concerns. It was apparent from the careful wording of the address, Gu said, that Ma was trying to be sensitive to Mainland views. Ma's open acceptance of the "1992 Consensus" on "one China" as the basis for cross-Strait dialogue was a key element satisfying PRC concerns. Asked whether the

additional phrase "respective interpretations" after "one China" gives the Mainland heartburn, Gu said the PRC can live with the Taiwans using the phrase as long as it is not emphasized and China is not called upon to accept it explicitly.

14. (C) KMT Chairman Wu Poh-hsiung's late May visit to China was a success and further solidified the Mainland's sense that prospects for improved cross-Straight relations are real, Gu offered. Earlier, in a May 28 meeting with PolMinCouns, CASS Institute of American Studies Senior Fellow Tao Wenzhao and Renmin University School of International Studies Associate Dean Jin Canrong provided their views on KMT Chairman Wu Poh-hsiung's meeting earlier that day with President Hu. They noted that media coverage of the Hu-Wu meeting was extensive, with the media present for the first 20 minutes of the discussion. The two academics judged the body language and subsequent media coverage as indicative of PRC readiness to improve cross-Straight relations. Chinese leaders realize, they said, that the Mainland needs to provide Ma a policy victory early on so as to reward his current posture. With that in mind, both agreed, agreement on cross-Straight charter flights and Mainland tourists to Taiwan are all but a done deal.

U.S. Role Still Worrisome

15. (C) Mainland Taiwan observers continue to have concerns about Ma, Gu said. Ma is perceived as being very close to the United States. Chinese leaders are worried, for example,

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that the United States will give Ma a high-level reception in the United States at some point. The Chinese are also concerned that the United States may approve "dramatic" arms sales to Taiwan. By "dramatic," Gu explained, he meant sales of weapons of significantly higher quality or quantity or of an offensive nature. Gu implied that such developments would complicate internal Chinese arguments in favor of improving cross-Straight relations.

Missile Pullback?

16. (C) Asked to comment on media reports out of Taiwan that President Hu or other PRC interlocutors of Wu indicated possible flexibility on missile deployments aimed at Taiwan, Gu did not offer much insight but did not dismiss the idea. Zhou Zhihuai, Deputy President of CASS's Institute of Taiwan Studies told PolOff on June 3 that the issue of missile deployments was definitely discussed during the Hu-Wu talks and that the Mainland probably gave Taiwan a positive signal on the issue. With 16 people in the KMT delegation, someone must have leaked the story. The fact that Wu and others all denied the reports suggests that there was an agreement on both sides to keep it confidential, Zhou assessed. Zhu Feng, Deputy Director of Peking University's Center for International and Strategic Studies, told PolOff on June 5 that as the missiles are all mobile, it should be an easy thing to pull them out of range. It remains to be seen whether Taiwan would be satisfied with such a move and authorities there may push for full decommissioning.

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